

# **EXHIBIT A**

## CONSULTING AGREEMENT

CONSULTING AGREEMENT (this "Agreement"), dated as of November 2, 2004, between XE-R, LLC, a Delaware limited liability company (the "Consultant"), Mutual Credit Corporation, a licensed California premium finance company ("MCC") and Sierra Life Solutions, LLC ("Sierra" and, together with MCC, the "Clients").

### WITNESSETH:

WHEREAS, the Clients wish the Consultant to perform certain consulting services through the term of this Agreement; and

WHEREAS, the Consultant is willing to perform such services in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the Consultant and the Clients hereby agree as follows:

#### 1. DEFINITIONS

Capitalized terms used herein without definition have the respective meanings given to them in the Note Transfer Agreement, dated as of the date hereof, between MCC and Spurling Group, LLC (the "Note Transfer Agreement").

#### 2. SERVICES OF CONSULTANT

(a) The Consultant hereby agrees to perform such services as may, from time to time, be agreed to from time to time between the Consultant and the Clients.

(b) The Consultant shall discharge its duties under this Agreement with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise with a like character and with like aims.

#### 3. FEES AND EXPENSES

(a) In connection with the performance of services under this Agreement, the Consultant shall be entitled to receive from the Clients an amount equal to 50% of any loan origination fee paid to MCC by a borrower in connection with (i) each of the Notes transferred pursuant to the Note Transfer Agreement and (ii) any similar notes originated on or prior to the Termination Date (as defined below) pursuant to similar programs consummated by the Clients in conjunction with XE Capital Management, LLC.

(b) Each of the Consultant and each of the Clients shall bear its own costs and expenses in connection with the execution of this Agreement and the performance of its obligations hereunder.

**4. TERM**

This Agreement shall continue in effect until December 31, 2005, unless mutually agreed to be extended by the parties (the "Termination Date").

**5. NON-EXCLUSIVE SERVICES**

(a) The Consultant shall devote such time to its services under this Agreement that it, in its sole discretion, determines such services reasonably require.

(b) The Clients hereby acknowledge that the Consultant may provide similar services in other transactions, including transactions that differ from or are similar or identical to the transactions contemplated herein, for other clients.

**6. RECORDS AND REPORTS; CONFIDENTIALITY**

The Consultant shall maintain proper and complete records relating to the furnishing of its services under this Agreement for such period of time as may be required under applicable law. All records maintained pursuant to this Agreement shall be the property of the Consultant. Except as expressly authorized in this Agreement or as required by applicable law, regulation or court order or as directed by Consultant or the relevant Client, each party hereto shall keep confidential the records and other information pertaining to the other parties, if any, obtained by reason of this Agreement.

**7. LIMITATION ON LIABILITY**

(a) The Consultant shall not be liable to either Client for any error of judgment or for any loss suffered by such Client in connection with the subject matter of this Agreement howsoever any such loss may have occurred unless such loss arises from the Consultant's bad faith, gross negligence, willful misconduct or fraud. Notwithstanding any of the foregoing to the contrary, the provisions of this Section 8 shall not be construed so as to relieve the Consultant of any liability to the extent that such liability may not be waived, modified or limited under applicable law.

(b) The Clients hereby undertake to indemnify and hold harmless the Consultant against all actions, proceedings and claims that may be brought against, and all costs, demands and expenses that may be suffered or incurred by, the Consultant by reason of the performance or non-performance of its duties under this Agreement (other than those due to its bad faith, gross negligence, willful misconduct or fraud), including reasonable legal, professional and other expenses incurred by the Consultant.

(c) The Consultant hereby undertakes to indemnify and hold harmless the Clients against all actions, proceedings and claims that may be brought against, and all costs, demands, and expenses that may be suffered or incurred by, the Clients by reason of the bad faith, gross negligence, willful misconduct or fraud of the Consultant or any person designated by it, including all reasonable legal, professional and other expenses incurred by the Clients.

**8. WAIVERS AND AMENDMENTS**

No waiver or modification of this Agreement shall be effective unless reduced to a written document signed by all of the parties hereto. No failure to exercise and no delay in exercising on the part of any party hereto, of any right, remedy, power or privilege hereunder, shall operate as a waiver thereof.

**9. BINDING EFFECT; ASSIGNMENT**

This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors, and their rights and obligations hereunder shall not be assignable, transferable or delegable without the written consent of the other parties hereto. Any attempt to assign, transfer or delegate such rights and obligations without such consent shall be void.

**10. NOTICES**

All notices and other communications provided for hereunder shall be in writing (including telecopier) and mailed, delivered by overnight courier, telecopied or delivered by hand:

If to the Clients, at:

Sierra Life Solutions, LLC  
One Venture Way, Suite 220  
Irvine, California 92618  
Tel: (949) 450-1414  
Fax: (949) 450-9944

Mutual Credit Corporation  
1620 N. Placentia Ave., Suite 210  
Placentia, California 92870

If to the Consultant, at:

XE-R, LLC  
400 Park Avenue, 18<sup>th</sup> Floor  
New York, New York 10022  
Tel: (212) 355-5566  
Fax: (212) 255-2726

or at such other address as shall be designated by any party in a written notice to the other parties hereto. All such notices and communications shall be deemed to have been duly given or made (i) in the case of hand deliveries, when delivered by hand, (ii) in the case of mailed notices, four Business Days after being deposited in the mail, first class airmail,

postage prepaid, (iii) in the case of delivery by overnight courier, two Business Days after being delivered to such courier, and (iv) in the case of telecopier notice, when transmitted and confirmed during normal business hours (or, if delivered after the close of normal business hours, at the beginning of business hours on the next Business Day or at such other address as shall be designated by any party in a written notice to the other parties hereto).

#### **11. GOVERNING LAW**

THIS AGREEMENT SHALL BE GOVERNED BY, AND THE RIGHTS OF THE PARTIES ARISING HEREUNDER CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO PRINCIPLES OF CONFLICT OF LAWS.

#### **12. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed  
by their duly authorized officers as of the day and year first above written

**CONSULTANT:**

XE-R, LLC

By: 

Name: Mark E. Ross

Title: President

**CLIENTS:**

MUTUAL CREDIT CORPORATION

By: \_\_\_\_\_

Name: Anthony Jacobson

Title: Chief Financial Officer

SIERRA LIFE SOLUTIONS, LLC

By: \_\_\_\_\_

Name:

Title:

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed  
by their duly authorized officers as of the day and year first above written

**CONSULTANT:**

XE-R, LLC

By: \_\_\_\_\_  
Name: Mark E. Ross  
Title: President

**CLIENTS:**

MUTUAL CREDIT CORPORATION

By: \_\_\_\_\_  
Name: Anthony Jacobson  
Title: Chief Financial Officer

SIERRA LIFE SOLUTIONS, LLC

By: \_\_\_\_\_  
Name: AS Meade  
Title: Partner